

Annapolis, Md., January 25th, 1906.

A special meeting of the Board of Public Works was held this, day, in the office of the Governor. Present: Governor Warfield, Comptroller Atkinson, and Treasurer Vandiver.

The following communication from the Maryland Trust Company were read, and on motion, ordered spread upon the Minutes.

Baltimore, January 18th, 1906.

Hon. Murray Vandiver,

Treasurer, State of Maryland,

Annapolis, Maryland.

Dear Sir:

Supplying you with the information requested by a resolution of the Board of Public Works of the State of Maryland, passed at meeting held on Wednesday the 10th, inst., a copy of which was contained in your favor of January 12th, I beg to state that the total issue of first Mortgage 4 1/2 % Bonds of the Maryland Trust Building Company is \$500,000 of which \$21,000 have been purchased for the sinking Fund, leaving outstanding \$479,000 of Bonds. These Bonds are secured by a First Mortgage on the ten and a half story office building and lot situated at the northwest corner of Calvert and German Streets, Baltimore, as to the value of which we beg to refer you to the enclosed letter from Messrs. J. D. McCubbin and D. Sterett Gittings. The annual revenue derived from the rental of office in this Building, exclusive of the main Banking room, on the first floor, is \$50,630.00 to which should be added the rental of \$12,000, per annum, which will be received from the Main Banking Room as soon as the same has been prepared for occupancy by this Company, which will be about February 15th, 1906. This will make the total annual revenue from the Building \$62,630.00. The operating expenses, taxes, insurance and repairs amount to about \$25,000, so that the earning above all expenses are in round figures \$37,500 per annum. The interest on the Bonds amounts to \$22,500 per annum, and the annual sinking fund payment is \$5,000, which deducted from the above net earnings, leaves a surplus of \$10,000, which is sufficient to pay a 6% dividend on the \$150,000 of stock of the Company. The Company carries \$287,920.00 of fire and \$20,000 of casualty insurance. In addition the plate glass is insured; also the boilers. For greater convenience we attach hereto a memorandum showing the above figures

in tabulated form.

With the above information before you we trust that you will be in position to make the exchange of the Building Company Bonds for the City Stock now held by you.

I remain,

Yours very truly,

G. M. Herish, President.

Maryland Trust Building Company.

Annual revenue, exclusive of Main Banking Room,	\$50,630.00
Annual Rental of Main Banking Room (To be occupied February 15, 1906)	12,000.00
	<u>\$62,630.00</u>
Operating Expenses, Taxes, Insurance and Repairs,	<u>25,000.00</u>
Net Earnings -----	37,630.00
Interest on First Mortgage Bonds \$22,500.00	27,500.00
Sinking Fund, <u>5,000.00</u>	<u>10,130.00</u>

Insurance Carried:

Fire	\$287,920.00
Casualty,	20,000.00

Baltimore, January 18th, 1906.

The undersigned being familiar with the ten and a half story office building and lot located at the northwest corner of Calvert and German Streets, Baltimore, Maryland, owned by the Maryland Trust Building Company, it is my opinion that the said building and lot are worth not less than the amount of the Building Company's bonded indebtedness, namely, \$500,000. This opinion is based upon a consideration of the original cost, the cost of reconstruction, and the earning power of the Building.

J. D. McCubbin, Jr.

Baltimore, January 18th, 1906.

Board of Directors of the Maryland Trust Company.

Gentlemen:- The undersigned, being familiar with the ten and a half story office building and lot located at the N. W. Corner of Calvert and German Streets, Baltimore, Maryland, owned by the Maryland Trust Building Company, it is my opinion that the said Building and lot are worth not less than the amount of the Building Com-

pany's bonded indebtedness viz., \$500,000. This opinion is based upon a consideration of the original cost, the cost of reconstruction and the earning power of the building.

Yours truly,

T. Sterett Gittings.

The proposition of the Maryland Trust Company was, on motion of the Treasurer, seconded by the Comptroller, approved, and the transfer of the securities asked therein was directed to be made.

The Board adjourned at 12:10 to attend the sale of the old Comptroller's Office Building and other miscellaneous public property.

Orval Tilghman
Secretary.